

- (i) There will be a unit by unit assessment to decide whether a unit is revivable or non-revivable.
- (ii) All revivable units will be revived.
- (iii) Non revivable units will be closed and attractive VRS option(s) will be made available to the employees.

Accordingly Techno Economic Viability studies were conducted mill-wise. The resources for revival/closure are to be raised from the sale of surplus land and assets of NTC mills. In this context, Govt, of India requested State Govts, to give unconditional permission for sale of land and conversion of land use. BIFR also issued similar directions to State Governments. The Govt, of West Bengal has given conditional permission for sale of land. Based on the available permissions, the Operating Agencies have been requested to prepare Draft Rehabilitation Schemes. In case unconditional permission is available, and more resources raised, more mills could be revived.

**Lifting the suspension of duty-free treatment for Indian cotton fabrics
by US**

3612. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of TEXTILES be pleased to state:

- (a) whether the United States has lifted the suspension of duty free treatment for Indian cotton fabrics in a follow-up to the Memorandum of Understanding reached between the two countries on September 14, 2000;
- (b) if so, to what extent lifting the suspension has been helpful to India;
- (c) whether all the agreements reached in this regard between the two countries have been implemented so far; and
- (d) the steps being taken to help the Indian fabrics?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR): (a) to (c) Pursuant to the Understanding reached with US during consultations held in September 2000, India has notified the revised combined tariff bindings to WTO. On the other hand, US has lifted their reservations

on the tariff binding notification and has extended GSP concession on 9 Indian handloom fabrics. The restoration of GSP benefit on these handloom fabric lines would increase the cost competitiveness of these items in US market.

(d) The Government has been taking several steps from time to time to increase textile exports including cotton fabrics exports to US market. Some of the important initiatives are as under:—

- (i) The Technology Upgradation Fund Scheme (TUF) has been made operational from 1-4-1999 to facilitate the modernisation and Upgradation of this sector so that it can become more competitive in international trade.
- (ii) The facility to import capital goods under Export Promotion Capital Goods (EPCG) Scheme at 5% concessional rate of duty.
- (iii) Government has launched Technology Mission for Cotton. One of the important ingredients of the Mission is to improve cotton processing facilities by upgrading/ modernising the existing ginning and pressing factories.
- (iv) Allowing foreign equity participation upto 100%, through automatic route, in the textile sector with certain exceptions.
- (v) To prepare and sensitise textile industry to conform to the ecological requirements of importing countries by providing facilities by way of eco-testing laboratories.
- (vi) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry in the field of design, merchandising and marketing.
- (vii) The National Textile Policy 2000 has recently been announced to provide the policy direction for orderly and sustained development and growth of the textile industry in a harmonious way and to give a thrust to textile exports.

- (viii) A conference of State Ministers and Secretaries incharge of Textiles held on 10.4.2001 resolved to promote investment in the textile sector including weaving.
- (ix) With a view to encouraging production of good quality fabrics, the custom duty on shuttleless looms has been brought to 5%.

Textile Industry affected by Earthquake In Gujarat

† 3613. SHRI JANESHWAR MISHRA: Will the Minister of TEXTILES be pleased to state:

- (a) whether it is a fact that textile industry in Gujarat has been affected as a result of the recent severe earthquake in that State;
- (b) if so, the steps Government have taken in order to streamline this industry again and to bring it to its earlier situation;
- (c) whether it is also a fact that Indian textile industry has been lagging behind day-by-day on world scenario as most of the textile companies are using obsolete technology; and
- (d) if so, the steps being taken by Government to deal with it?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR): (a) The earthquake in Gujarat has affected almost all sectors of the economy including the textile industry.

(b) Although all concerned Ministries/Departments of the Government have been taking steps for rebuilding the economy of Gujarat, the Ministry of Textiles has taken a number of important steps in regard to textile industry—including—

- A sum of Rs. 4.60 crores was sanctioned to Government of Gujarat for construction of 2000 Rural work-shed-cum-houses.
- Share capital assistance of Rs. 50 lakhs was sanctioned to Gujarat Handicraft's Handlooms Development Corporation

† Original notice of the question was received in Hindi.